

Dear Local Government Contacts:

Excelsior Mining Arizona, Inc. applied to the US EPA for an Underground Injection Control (UIC) Class III Area Permit to construct and operate an in-situ copper recovery (ISCR) facility known as the Gunnison Copper Project, located in Dragoon, Cochise County, Arizona. Excelsior is also requesting an Aquifer Exemption for the oxide ore body in which the ISCR wellfield will be located.

EPA has made a preliminary determination to issue the Class III UIC Area Permit to Excelsior and approve the Aquifer Exemption pending a 30-day public notice and comment period. EPA is publishing a public notice (attached) for the proposed Draft Permit and the Aquifer Exemption in the Arizona Range News and the Sierra Vista Herald on October 25, 2017. EPA is proposing these actions as provided by Part C of the Safe Drinking Water Act and pursuant to Title 40 of the Code of Federal Regulations (CFR) Parts 124, 144, 146, and 147.

The Class III UIC Area Permit, if issued, would authorize Excelsior to inject a dilute sulfuric acid solution into the copper orebody and recover copper-laden solution to produce copper. The effect of EPA's approval of an Aquifer Exemption is that the portion of the aquifer exempted is no longer protected as an Underground Source of Drinking Water as defined by EPA's regulations.

As indicated in the attached public notice, support materials for EPA's proposed actions are available online and at the Elsie S. Hogan Library in Willcox, AZ. EPA is accepting written comments on our proposed actions through the end of the comment period on November 24, 2017.

If you have any questions about this matter, please contact me at (415) 972-3971, or you may contact Nancy Rumrill, the staff lead, via email Rumrill.Nancy@epa.gov or at (415) 972-3293.

Best Regards,

David Albright